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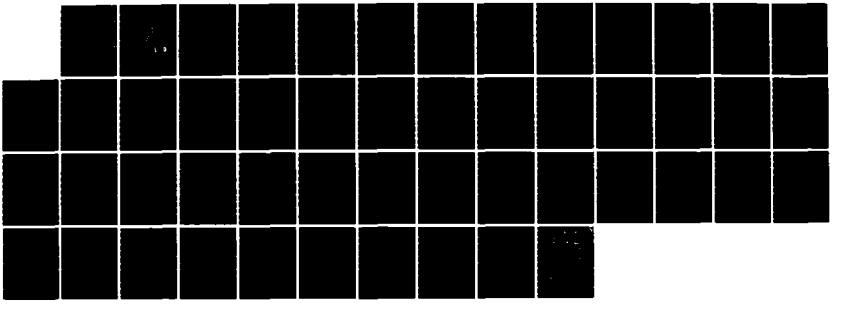

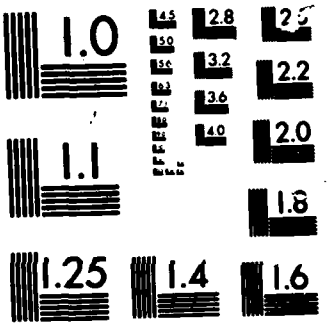

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This handbook will give the HQ AFSC/TE resource manager an abbreviated overview of the Planning, Programming, and Budgeting System (PPBS), AFSC implementation of PPBS, a discussion of AFSC's corporate review structure, an explanation of the documents used in the PPBS review process, and some resource manager's lessons learned in dealing with PPBS. This handbook is intended to be a starting point for newly assigned resource managers and a reference for fully trained resource managers and supervisors. The handbook will inform the resource manager concerning the PPBS process he will be involved in.

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PREFACE

This handbook is intended to acquaint new Air Force Systems Command Deputate for Test and Evaluation (AFSC/TE) resource managers with the Planning, Programming, and Budgeting System (PPBS) and program execution. As an advocate for test center requirements, the AFSC/TE resource manager will be intimately involved in PPBS and program execution within Headquarters AFSC, Headquarters Air Force, and the Office of the Secretary of Defense. This handbook was prepared as partial fulfillment of the requirements of the Air Command and Staff College. Questions concerning this handbook should be directed to AFSC/TE.

The author wishes to express his appreciation to Mrs. Barbara Susaraba for her assistance in gathering the numerous internal AFSC documents used as references. Acknowledgements are also extended to Lt Col Terrence Haakenson, who sponsored this handbook, and Maj Manuel Torres, who acted as advisor. Their review and comment on the content were most helpful.

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CHAPTER 1

WHY THIS HANDBOOK?

Before giving a new Headquarters Air Force Systems Command, Deputy Chief of Staff for Test and Evaluation (AFSC/TE) resource manager an appreciation of the Planning, Programming, and Budgeting System (PPBS), it is necessary to state the importance of PPBS. To understand the PPBS importance to the AFSC/TE resource manager, we will note how HQ AFSC/TE defines the responsibilities and prerequisites of the AFSC/TE resource manager.

AFSC/TE RESOURCE MANAGER RESPONSIBILITIES

The AFSC/TE resource manager is first an action officer (13:1). He is selected because of his knowledge of the test center's operations and technical requirements. This knowledge makes the AFSC/TE resource manager a technical expert on the test center he represents. This credibility is the most valuable asset the AFSC/TE resource manager possesses. This credibility allows him to speak with authority in the role of action officer. The AFSC/TE resource manager is the test center's official spokesperson within Headquarters AFSC, the Air Staff, and the Office of the Secretary of Defense (OSD) (13:1). The AFSC/TE resource manager is responsible for validating and defending the operational and fiscal requirements for his test center to the command corporate review structure within the PPBS process (13:1).

As the AFSC focal point for all actions impacting the test center's operations, the AFSC/TE resource manager is the point of contact for test center, higher headquarters, and Congressional inquiries. This requires the AFSC/TE resource manager to coordinate the inputs of Headquarters AFSC functional staff elements to give a staffed headquarters response. The resource manager formulates responses on matters affecting initiation, development, acquisition, test, deployment, operation, and maintenance of existing and future instrumentation and support capabilities of the test center (13:1). On other occasions the resource manager will be called upon to represent the test center's interests in budget allocation, policy formulation, and problem solving exercises (13:1). Much of this work is accomplished with little or no advance notice, relying solely on the resource manager's expertise.

AFSC/TE RESOURCE MANAGER PREREQUISITES

A thorough knowledge of the operational and technical mission of the test center is a must for the AFSC/TE resource manager (13:1). An understanding of individual weapon system test programs, test and evaluation capabilities, and test center limitations is also essential for the resource manager (13:1). This knowledge gives the resource manager the credibility to be the test center's spokesperson. This credibility is considered to be the primary attribute of the AFSC/TE resource manager

(13:1). Knowledge of PPBS is desirable for a new AFSC/TE resource manager, but it is not mandatory (13:1). Headquarters AFSC hires credible action officers for AFSC/TE resource manager positions and assumes the responsibility for training resource managers in the PPBS process. This handbook is a starting point for that training.

HANDBOOK OVERVIEW

This handbook will give the AFSC/TE resource manager an abbreviated overview of PPBS, AFSC implementation of PPBS, a discussion of AFSC's corporate review structure, an explanation of the documents used in the PPBS review process, and some resource manager's lessons learned in dealing with PPBS. This handbook is intended to be a starting point for newly assigned resource managers and a reference for fully trained resource managers and supervisors. The handbook will inform the resource manager concerning the PPBS process he will be involved in.

CHAPTER 2

AN OVERVIEW OF THE PLANNING, PROGRAMMING, AND BUDGETING SYSTEM

The Planning, Programming, and Budgeting System (PPBS) is the Department of Defense (DOD) system for resource management. A PPBS cycle takes three years to complete, and one cycle is completed each year overlapping other cycles as shown in Figure 1 (12:9). Each cycle reviews the Air Force's resource needs over a five year period called the Five Year Defense Program (FYDP). The resources needed are defined in terms of manpower, dollars, and forces (12:10). The FYDP summarizes all DOD programs and contains a detailed description of the total resources required for the programs (4:19). The first year of the FYDP is the upcoming budget year which will be submitted to the Office of Management and Budget (OMB) for inclusion in the President's Budget that will go to Congress.

THE FIVE YEAR DEFENSE PLAN

The FYDP is split three ways: service, major force program, and appropriation. This split is shown in Figure 2. Each service input to the FYDP is categorized by Congressionally established Major Force Programs (MFP) and appropriations. The MFPs are shown in Table 1, and some of the more frequently used appropriations are shown in Table 2. Of particular interest to the AFSC/TE resource manager are MFPs 3, 6, and 7 and appropriations 3080, 3400, and 3600. Some of the test centers (MFP 3 and 7) are funded by the 3400 appropriation with the 3080

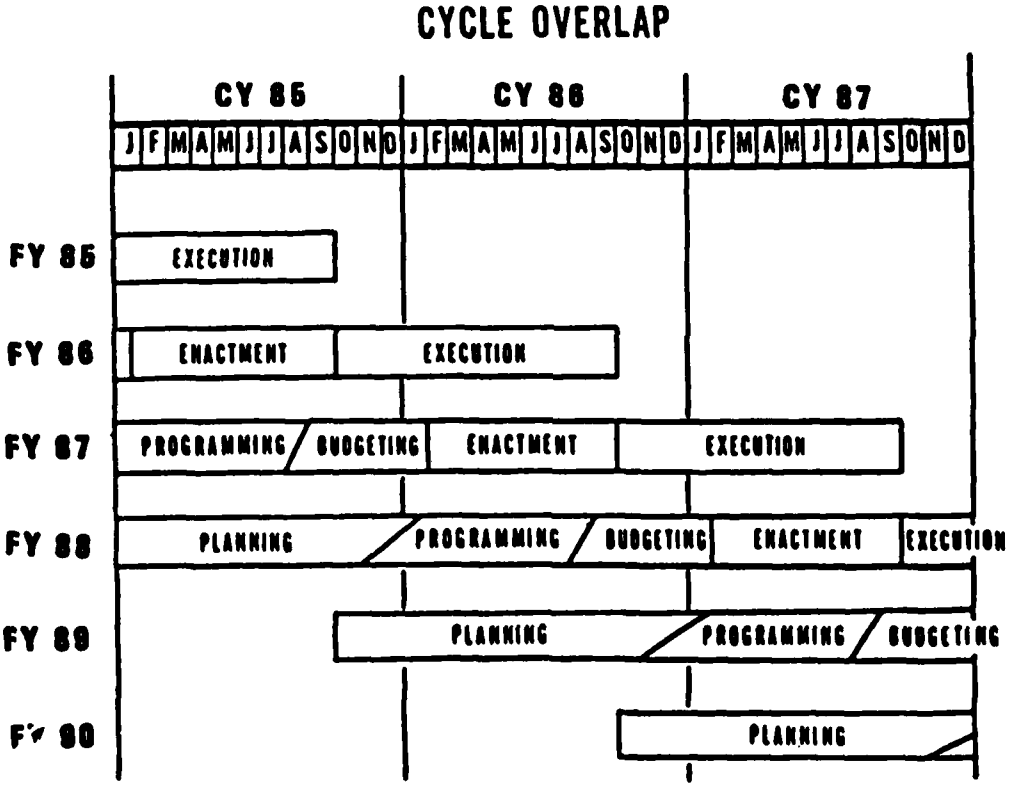

FIGURE 1

Adapted from reference 12:9.

FIVE YEAR DEFENSE PROGRAM STRUCTURE

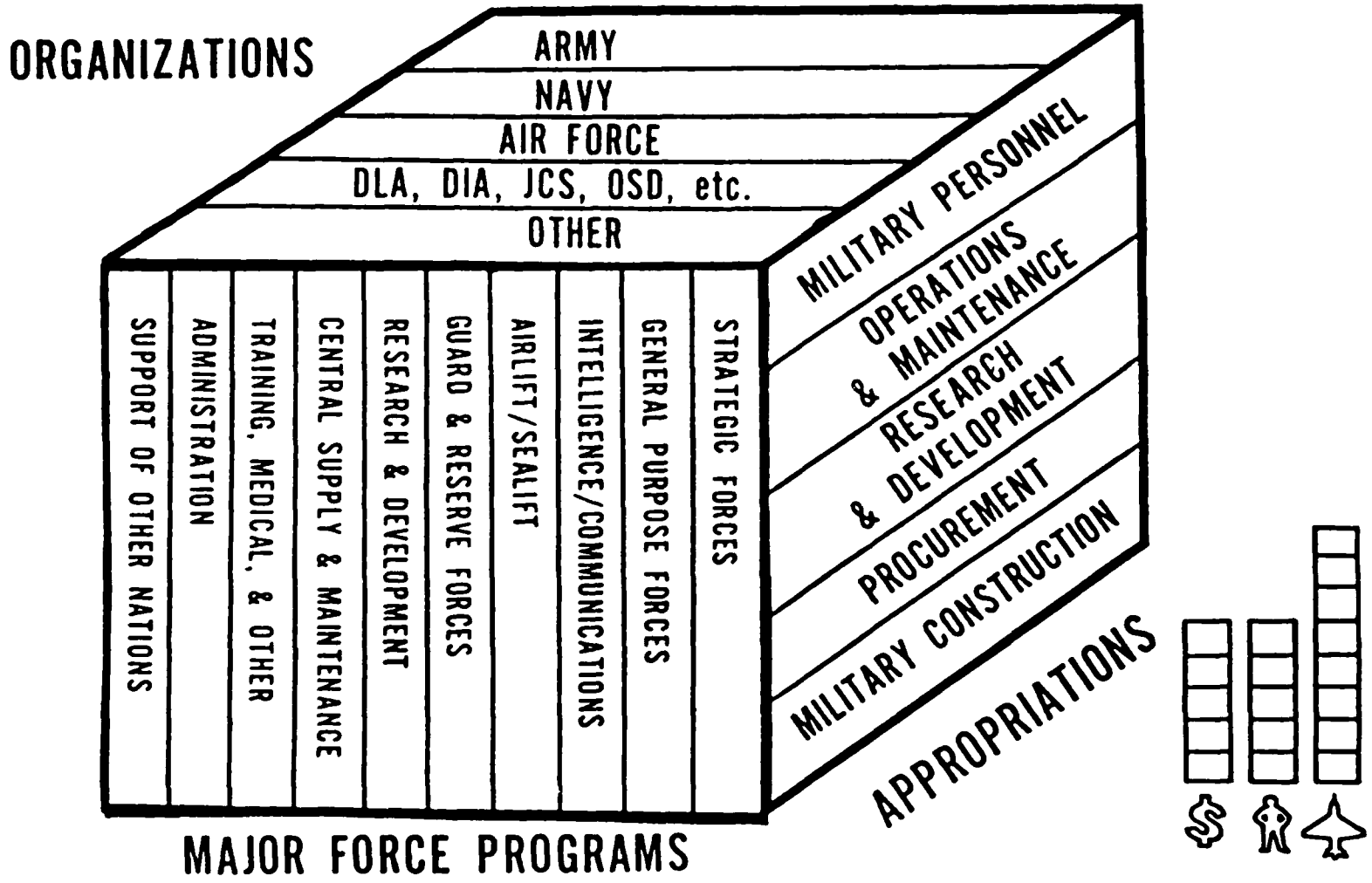

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FIGURE 2

TABLE 1 MAJOR FORCE PROGRAMS (3:49)

Program Number	Title
1	Strategic Forces
2	General Purpose Forces
3	Intelligence and Communications
4	Airlift and Sealift
5	Guard and Reserve Forces
6	Research and Development
7	Central Supply and Maintenance
8	Training, Medical, and Other General Personnel Activities
9	Administration and Associated Activities
0	Support of Other Nations

TABLE 2 SELECTED APPROPRIATION CATEGORIES (4:5)

Appropriation Number	Title
3010	Aircraft Procurement
3020	Missile Procurement
3080	Other Procurement
3300	Military Construction
3400	Operation and Maintenance
3500	Military Personnel
3600	Research, Development, Test, and Evaluation

appropriation funds for procurement. Others (MFP 6) are funded by the 3600 appropriation. The service inputs by MFP and appropriation become the FYDP through the PPBS cycle.

As stated earlier, the PPBS cycle lasts three years. A new cycle is started each year, and an old cycle is completed. This leads to the overlap of cycles. These overlapping cycles affect one another (12:9). A resource manager can be involved in as many as four cycles at once, as shown in Figure 1. Each of the overlapping cycles has five phases. These phases are planning, programming, budgeting, enactment, and execution. Each of these phases can be examined by looking at the key document of that phase.

PLANNING

The key document of the planning phase is the Defense Guidance. The Secretary of Defense sets policy, strategy, force structure, resource constraints, and total dollar constraints in the Defense Guidance (12:13). The baseline for the Defense Guidance is the previous year's guidance (4:20). Service inputs to the Defense Guidance are made in August (12:13). The final Defense Guidance is issued to the services in January (12:13). This marks the beginning of the next phase of a PPBS cycle, programming (4:20).

PROGRAMMING

In the programming phase the Services formulate an answer to the

Defense Guidance (12:15). This phase answers the Defense Guidance with the Program Objective Memorandum (POM) (12:15). The POM covers the entire FYDP and includes the resources required to accomplish the mission as outlined in the Defense Guidance. The POM "brings it all together" for the Secretary of Defense (5:17). The POM is completed in May, and the budgeting phase begins (12:15).

BUDGETING

The budgeting phase results in a document called the Budget Estimate Submission (BES). The BES is the Services' best estimate of the actual cost of the POM (12:19). The BES can be thought of as a refinement of POM cost data and, as such, affects the whole FYDP (12:18). A part of the BES review is identifying the "least dear" programs as candidates for future cuts in the budget (12:19). Although the Air Force is not required to give DOD a priority list of programs, such lists exist within the MAJCOMs and the Air Staff. The Air Staff review of the BES ends in September, and the OSD and OMB reviews run from September through January. The focus of these reviews is the first year of the FYDP which will become a part of the President's Budget.

ENACTMENT

The President's Budget (PB) is formulated by OMB. The OSD staff, in conjunction with OMB, formulates the defense portion of the PB. As changes are made to the budget year,

corresponding changes are made to the remaining four years of the FYDP. The changes made to the FYDP are documented in Program Budget Decisions (PBDs). The Services have a short time to reclama these decisions before they take effect (less than five days) (5:9). It is important to note that the FYDP is updated at least three times each year to reflect the POM, BES, and PB positions (4:19). The PB is submitted to Congress in January (5:9). The Congressional approval cycle is the actual enactment phase of PPBS. Congress then approves a budget and appropriates funds for the next fiscal year starting in October.

EXECUTION

The Congressional Appropriation Bill marks the beginning of the execution phase which ends at the end of the fiscal year. Prior to the actual allocation of the funds appropriated by Congress, the MAJCOMs prepare the Financial Plan. This document is used to allocate limited funds within the Air Force. The term "limited" is used because the appropriation is generally less than the PB. The Financial Plan is used to identify the "least dear" efforts and potential problem areas or unfunded requirements. The Financial Plan is completed by the MAJCOMs in August, and the Air Staff allocations are made soon after Congressional appropriation.

SPECIAL REVIEWS

We have completed the five phases of PPBS by examining the major

documents reviewed at each phase; however, additional documentation is required for Major Range and Test Facility Base (MRTFB) activities. There are nine MRTFB activities in the Air Force, and AFSC manages eight of these. The eight are: 1) Air Force Flight Test Center, 2) Armament Division, 3) Arnold Engineering Development Center, 4) 4950th Test Wing, 5) 6585th Test Group, 6) Utah Test and Training Range 7) Eastern Space and Missile Center, and 8) Western Space and Missile Center (7:9). The Office of the Under Secretary of Defense for Research and Engineering (OUSDR&E) requires two additional submissions for each MRTFB activity (6:2B9-1).

The two submissions are required in conjunction with the POM and the BES. The POM MRTFB submission is additional information used in defense of test center requirements. This submission accompanies the POM in May and is called the mini-MRTFB submission because it is an abbreviated version of the BES MRTFB submission.

The BES MRTFB submission is additional information used to support the PB formulation and later the PB defense in Congress. The submission is OUSDR&E's "hip pocket" information in defense of test center requirements. The BES MRTFB submission is referred to as the full MRTFB submission or just the MRTFB. The MRTFB accompanies the BES in September.

The MRTFB and the mini-MRTFB are as important to the AFSC/TE

resource manager as any other document in the PPBS. These documents, along with those previously discussed, are the tools of the PPBS. Before the resource manager can use these tools, he must have some understanding of how AFSC implements the PPBS and how this implementation fits into the overall PPBS process. These topics will be discussed in the next chapter.

CHAPTER 3

AFSC IMPLEMENTATION OF PPBS

As we have seen, a PPBS cycle takes three years to complete and overlaps with other cycles. This three year time span, however, is only the time it takes Headquarters Air Force, OSD, OMB, and Congress to formulate a budget and finally an appropriation. This three year cycle does not include the MAJCOM implementation of PPBS. The AFSC implementation of the PPBS starts six months prior to the Headquarters Air Force cycle (11:1).

PROGRAM OBJECTIVE MEMORANDUM

The AFSC/TE resource manager's involvement in PPBS starts with the programming phase. As discussed in Chapter 2, the major document used in the programming phase is the POM. The AFSC POM call, a headquarter's tasking letter, is sent to field units in June with field inputs due to Headquarters AFSC in September (11:1). The field inputs are unconstrained as to funding and manpower. The BES FYDP is the baseline for the field inputs, and resources above this level must be justified (11:1). The AFSC/TE resource manager is the first level of review of the field input.

The AFSC/TE resource manager is the source of the first Headquarter's constraint placed on the POM. This review is to bring the field input in line with the most current AFSC policies. Similar major program reviews are conducted by AFSC

system officers or systos. After the AFSC resource manager's review, the field inputs are reviewed by the AFSC corporate review structure which will be discussed in the next chapter. The AFSC/TE resource manager is the advocate for the test center POM input before the panels and committees of the corporate review structure. The AFSC POM review culminates in the AFSC POM submission to the Air Staff in December (11:3). The AFSC/TE resource manager is AFSC's representative to the Air Staff corporate review structure for the test center he represents. The AFSC/TE resource manager gives the AFSC position on the test center's portion of the POM before many Air Staff panels, committees, and other review bodies. AFSC submits the mini-MRTFB upon completion of the Air Staff POM submission.

MINI-MRTFB

The mini-MRTFB is submitted to OUSDR&E through the Air Staff upon POM completion in May (6:2B9-1). The mini-MRTFB is prepared at Headquarters AFSC with inputs from the test center. The mini-MRTFB is viewed by OUSDR&E as an update of the previous year's full MRTFB. The AFSC/TE resource manager again acts as the test center's spokesperson in OUSDR&E hearings on the POM and the mini-MRTFB. The major changes from year to year across the FYDP are explained. The resource manager must keep in mind that he represents the test center's interests, but he is presenting the Air Force position in the POM. The POM position presented to OSD by the Air Force is an executable program from the Headquarters Air Force perspective. This is the perspective

the resource manager is to present. After the POM MRTFB hearings are completed, the attention of the resource manager turns to the budget phase and the BES.

BUDGET ESTIMATE SUBMISSION

The BES position is generally worked within Headquarters AFSC with little or no field inputs. This is because the BES position usually represents cuts or repricing "fixes" to the POM position. As the Comptroller has the lead on the BES within Headquarters AFSC, the AFSC/TE resource manager must work closely with his counterparts in the Directorate of Budget to insure the test center's position is considered. The resource manager can also advocate the test center interests to the Management and Support Review Committee and through the Air Staff Program Element Monitor (PEM) once the AFSC BES has been transmitted to Headquarters Air Force. The purpose of the BES is to make the Air Force position in the POM executable (8:1). There is no "free lunch". If more funding is needed in one program, "give ups" must be identified in another program. Once the BES is finalized at the Air Staff, the full MRTFB is prepared by AFSC for submission to OUSDR&E through the Air Staff.

FULL MRTFB

The BES and the full MRTFB are submitted to OSD in September (6:2B9-1). The baseline for the full MRTFB is the BES position across the FYDP. The focus of the full MRTFB is the next

President's Budget year (6:2B9-7). The full MRTFB is OUSDR&E's "hip pocket" information to support the test center requirements in the OSD and OMB reviews prior to the formulation of the President's Budget. The full MRTFB is also used in support of the PB in Congress. As with the mini-MRTFB, the AFSC/TE resource manager is the test center's spokesperson in the OUSDR&E BES MRTFB hearings. As in the POM hearings, the purpose of the hearing is to review the Air Force BES position. The resource manager is presenting the Air Force position on the test center's program. The OUSDR&E hearing marks the beginning of the OSD/OMB budget review.

BUDGET REVIEWS & PRESIDENT'S BUDGET

The OSD/OMB budget review results in Program Budget Decisions (PBDs). PBDs are alternatives to the Air Force BES position. These alternatives are generally reductions or delayed starts for new initiatives. The Air Force has five days to process reclamas to the PBD early in the review process (3:54). Suspenses get shorter as January approaches. AFSC/TE resource managers generally have an opportunity to make inputs to the reclama in the early part of this process. The OSD/OMB budget review culminates with the President's Budget (3:55). The President's Budget is submitted to Congress in January (3:56). The AFSC/TE resource manager has limited exposure to this process. He may have to respond to short notice Congressional inquiries during this phase of PPBS. The end result of the Congressional review is an appropriation or funding, generally

at a lower level than the PB. This forces the Air Force to prioritize and justify the allocation of scarce resources. This is accomplished in the Financial Plan (2:1).

FINANCIAL PLAN

The AFSC Financial Plan is accomplished by the Comptroller as is the BES (2:1). The AFSC/TE resource manager again must work closely with his counter parts in the Directorate of Budget to insure the test center's interests are addressed and the POM position is preserved. The resource manager becomes the test center's advocate before the Management and Support Review Committee and higher levels of the AFSC corporate review structure if necessary. The allocation of funds marks the beginning of the execution phase in the present Fiscal Year (2:1).

As the execution phase ends, another planning phase begins with the overlap of three more PPBS cycles. We have reviewed how the AFSC implementation of the PPBS appears to the AFSC/TE resource manager. In the next chapter we will review the AFSC corporate review structure which is the first body to which the AFSC/TE resource manager advocates the test center's program.

CHAPTER 4

THE AFSC CORPORATE REVIEW STRUCTURE

AFSC has an extensive corporate review structure to accommodate PPBS. This structure resembles the corporate review structure within the Air Staff and is responsive to AFSC needs and the demanding PPBS schedule. A large part of the structure is only active during the POM activities, but the functional portion of the review structure activity participates in all phases of the PPBS cycle. The AFSC Commander is the approval authority for all AFSC PPBS positions (9:1). These positions are formulated and recommended by the AFSC corporate review structure (9:1). The highest level body in the AFSC corporate review structure is the AFSC Council.

AFSC COUNCIL

The AFSC Council is the ultimate recommending authority to the AFSC Commander (9:2). Among other responsibilities, the AFSC Council reviews all PPBS activities and the proposed positions to be presented to the Air Staff (9:2). The AFSC Council is also responsible for program reviews and for all AFSC resource requirement reviews (9:2). These reviews are conducted after lower level corporate review. The AFSC Council is chaired by the AFSC Vice Commander and the members are general officer level Deputy Chiefs of Staff (9:3). This body reviews PPBS positions primarily formulated by the Program Review Committee.

PROGRAM REVIEW COMMITTEE

The Program Review Committee (PRC) formulates recommended AFSC POM, BES, and PB positions (9:2). The PRC also recommends apportionment or allocation of funding within AFSC after the Congressional appropriation is made (9:2). The PRC is also responsible for any other AFSC PPBS positions necessary (9:2). This committee is the first level where all of the functional concerns are meshed together into a MAJCOM position. The PRC is chaired by the Deputy Comptroller and has colonel level representation from all DCSs and many special staff offices (9:2). There are two subgroups of the PRC, panels and committees. The PRC issues the charters and guidance for lower level AFSC committees and panels (9:2). The committees and panels are the working level (action officer level) bodies.

FUNCTIONAL COMMITTEES

The AFSC corporate review structure has six functional committees which operate throughout the year in all phases of the PPBS process. These committees review the field and staff inputs to formulate a functional input to the AFSC position in a given phase of the PPBS process. The six committees are as follows:

1) Facilities Review Committee (FRC)
2) Information Resources Committee (IRC)
3) Management and Support Review Committee (MSRC)
4) Manpower Review Committee (MRC)
5) Science and Technology Review Committee (TRC)

6) Test Investment Committee (TIC)

The responsibilities of these committees will be discussed in turn.

Facilities Review Committee

The FRC is the oldest committee within the AFSC corporate structure. The FRC is responsible for reviewing and validating all proposed facilities projects (9:3). The projects include those in the Military Construction Program, P-341 Emergency Projects, Military Family Housing, and Research, Development, Test and Evaluation Facilities funded according to AFR 80-22 (9:3). The FRC also recommends the priority of these projects and alternatives to the projects (9:3).

Information Resources Committee

The IRC reviews and validates communication and automated data processing systems requirements (9:3). The committee ensures consistency of these systems with command and higher headquarters policy, command architecture plans, and the Major Command Information System Plan (MISP) (9:3). This committee is responsible for the MISP submission to the Air Staff (9:3).

Management and Support Review Committee

The MRSC reviews financial plans and field POM inputs to ensure executable programs in the Command management and support areas (9:4). This committee ensures proper pricing of programs that relate to the operations of AFSC facilities. A large part of

this committee's concern is recommending a fair and equitable allocation of appropriated management and support funding (9:4). This body also reviews distribution of funding held in reserve for unfunded requirements. Test operations accounts are reviewed in detail by this committee.

Manpower Review Committee

The MRC reviews the AFSC manpower needs and the overall resources available and makes recommendation to the Mission Area Panels and the PRC (9:4). The MRC sets the guidelines for POM manpower reviews by Mission Area Panels and performs independent studies and reviews of manpower requirements and trends (9:4).

Science and Technology Review Committee

The TRC evaluates the science and technology needs and AFSC objectives (9:4). This body recommends the level of investments in the Command Science and Technology Base (9:4). These investments are primarily in the laboratories. The AFSC/TE resource manager generally has little involvement with this committee, but the funds used for laboratory investments are within the same Mission Area Panel as some of the test facilities which causes some competition for funding with test investments.

Test Investment Committee

The TIC reviews all major AFSC test capabilities investments regardless of funding source or location (9:5). This means the

TIC reviews test investments funded by test organizations, major acquisition programs, or research programs that are proposed for location at test ranges, laboratories, or contractor facilities (9:4). The TIC can recommend a corporate level of investments to increase test capability utility and can recommend changes to location (9:4). The TIC formulates and reviews AFSC Test and Investment Strategies and the Investment Program Plan (9:4). This panel is chaired by an AFSC/TE representative (9:4).

MISSION AREA PANELS

The second group of working level bodies is the Mission Area Panels (MAPs). The MAPs review AFSC field POM inputs for mission area priorities (9:5). The MAPs are less active in the BES, PB, and apportionment exercises. MAPs review and validate the inputs of systems officers for acquisition programs and of resource managers for management and support programs (9:6). MAPs review the POM from a programmatic perspective vice a function perspective held by the functional committees.

AFSC has eleven MAPs as shown in Table 3. These MAPs correspond to thirteen panels in the Air Staff Board Structure (9:6). While the AFSC/TE resource manager is concerned with test programs in all MAPs, his primary focus will be in the MAP which reviews the test center's operating program. The two MAPs of primary concern are the J Panel and the N Panel. The programs for the Air Force Flight Test Center, Armament Division, Arnold Engineering Development Center, 4950TW, 6585TG, and Utah Test

TABLE 3 MISSION AREA PANELS (9:6,9)

Designator	Title
A	Strategic Offense
B	Strategic Defense
C/H	C3/Data Automation
E	Electronic Combat
J	Research and Development
K	Reconnaissance/Intelligence
M	Mobility
P/S	Personnel Activities/Support
N	Space
T	Tactical Air Warfare
W	War Reserve Material

and Training Range are in the J Panel. The program for the Satellite Control Facility, Eastern Space and Missile Center, Western Space and Missile Center, and Space and Missile Test Organization are in the N Panel. Those programs in the J Panel compete with technology programs and laboratories for funding. Those programs in the N Panel compete with space acquisition programs for funding. In this arena, the AFSC/TE resource manager acts as advocate for the test center's requirements.

SUMMARY

As one can see, the AFSC corporate review structure is extensive. It is designed to allow consideration of all perspectives before a Command position is formed on any PPBS product. The AFSC Commander is the final authority on the AFSC position, but the corporate review structure recommends and formulates that position to/for the Commander. The AFSC/TE resource manager is the first step in the review process and becomes the test center's advocate in all succeeding reviews. The bodies in the corporate review structure represent the

resource manager's best allies and worst enemies. Understanding the corporate review structure is the first step in evaluating the environment in which the resource manager must advocate. The tools used by these bodies and higher headquarters are the documents used in PPBS reviews. These documents will be discussed in the next chapter.

CHAPTER 5

PPBS DOCUMENTATION

Many documents are used in the PPBS review process. Our purpose in this chapter is to discuss some of the major documents that the AFSC/TE resource manager will use. This discussion is not detailed, but it will give the resource manager some of the highlights and purposes of these documents. We will address the POM, BES, and allocation documentation.

PROGRAM DECISION PACKAGE

The first document we will cover is the Program Decision Package (PDP) which is the basic document of the POM. Each program has a PDP which addresses all of the resources required to sustain that program. Specifically, the PDP contains a description of the mission to be performed along with the manpower and funding required across the FYDP (1:41). The funding is identified by appropriation and program element (1:41). The program elements represent not only the basic program, but all of the support required from other programs. The additional support funding is identified in the program's PDP vice the supporting program's parent PDP. This allows the reviewer the opportunity to see the total resources required to sustain this program.

The PDP is identified by the mission area designator and a sequence number (11:Atch1:3). For instance, the PDP for the Utah Test and Training Range is J079. The J identifies the

Research and Development Panel. New start programs carry an XXX designator until assigned to a MAP and then carry a letter designation followed by XXX (11:Atch1:3).

As the AFSC POM is formulated before the DG is issued, the baseline for the AFSC POM is the previous year's BES (11:2). Changes have occurred since the BES, and the hope of additional funds in the DG are addressed in the AFSC POM. These changes and hopes are reflected in delta PDPs.

The delta PDPs can be chacterized as "fixes" to disconnects in the basic programs or "good ideas" for program enhancements, called initiatives. The delta PDPs are identified by suffixes to the PDP sequential designator. The program disconnects are identified by A and B suffixes (11:Atch3:3). The A suffix PDP changes the program content to remain within BES funding (11:4). This requires a mission description change to show what will not be accomplished (11:Atch3:4). The A suffix PDP must be accompanied by a B suffix PDP (11:Atch3:4). The B suffix PDP adds resources to the program to accomplish the baseline program as directed (i.e. no content change) (11:Atch3:4). The initiatives are identified by a -1 through -5 suffix. These PDPs are enhancements that may bring more utility or efficiency to a program, but are not required to accomplish the baseline program (11:Atch3:4). As one might suspect, it is very difficult to fund the initiatives in the POM. More often than not, the disconnects exceed the DG funding levels. Defense of

these delta PDPs is the primary concern of the AFSC/TE resource manager during the POM process.

BUDGET ESTIMATE SUBMISSION

The BES exercise uses the PDP format for review (8:3). The PDP format is converted to a Program Element format at the end of the exercise. The BES PDPs have detailed pricing information in the funding lines (8:5). This pricing information is broken down by Air Force elements of expense. The AFSC/TE resource manager should verify the elements of expense data. Air Staff, DOD, and OMD budget decisions will be based on this information. As stated in Chapter 3, the Comptroller has responsibility for pricing information in the BES, but the AFSC/TE resource manager must ensure accuracy. The resource manager will still be the advocate for the test center program at the Air Staff and higher headquarters.

MRTFB

The POM and the BES are accompanied by an MRTFB submission. The MRTFB submissions contain more detailed information below the PDP and Program Element level. These submissions are by test centers and include all funding for the test center from all sources. DODD 3200.11 which establishes the MRTFB instituted test user charges or reimbursements (7:5). A part of the total funding (Total Obligation Authority) available to a test center comes from acquisition programs undergoing test. This was done to identify the total cost of weapon system acquisitions to

Congress (7:5). A large part of the MRTFB submission is to identify the test customer's funding or reimbursement.

The mini-MRTFB submission which accompanies the POM is an update of the previous full MRTFB which accompanies the BES. Our discussion will center on the full MRTFB and point out those changes which are submitted as the mini-MRTFB. These documents are used as "hip pocket" information by OUSDR&E during OMB and later Congressional hearings. This document helps OUSDR&E advocate the test center's program.

The MRTFB submission contains a one page detail of the total test center funding (direct funding through the PPBS plus the reimbursements from test customers) (6:2B9-7). This detail covers the year prior to the execution year through the FYDP (eight years total). This gives the reviewer a picture of one year's actual expenditures and the budgets for the present year through the FYDP. Accompanying this detail is an explanation of the major changes from one year to the next with a focus on the PB year (6:2B9-9). The total funding detail and the year to year explanation are updated during the POM exercise, and make up the mini-MRTFB submission. In addition to these exibits, four more exibits are included in the MRTFB submission. Three of these exhibits are a DOD elements of expense detail, a summary of user funding, and a manpower by manyear detail (6:2B9-8,9,10). The DOD elements of expense and user funding exhibits cover the prior year, current year, budget year, and

the next year (four years total). The manpower exhibit covers the prior year, current year, and budget year. In addition, an Improvement and Modernization (I&M) analysis is completed for each major I&M program. The I&M analysis is generally provided as a separate document because of volume. The full MRTFB submission is referred to as a Special Budget Analysis by the Office of the Assistant Secretary of Defense (OASD) (Comptroller) (6:2B9-1).

The documents covered above are all programming and budgeting documents used in these phases of PPBS. In addition to these documents, the Financial Plan is important to the AFSC/TE resource manager because it is used in the resource allocation process at the beginning of the execution phase.

FINANCIAL PLAN

The Financial Plan contains detailed information by appropriation and Major Force Program. All funding in the Financial Plan is in constant dollars for 3400 appropriation funded organizations (2:Atch:1). Financial Plans for organizations funded through the 3600 appropriation are in then year (inflated) dollars. Many exhibits are required in the Financial Plan. These exhibits give a detailed funding breakdown by program element, DOD element of expense, and Air Force cost element accompanied by detailed explanations of year to year changes (6:Atch1:1). The Financial Plan covers the last year's actual expenditures and the plan for the execution of the

anticipated allocation provided to the MAJCOM as a "bogey". The bogey is generally less than the President's Budget so the Financial Plan identifies funded and unfunded items in each Air Force cost element (2:Atch1:1).

Although the Financial Plan is prepared by the Comptroller and allocations are made by the MSRC, the AFSC/TE resource manager must work with the comptroller personnel in the preparation of this document. Additionally, the resource manager must represent the test center's position before the MSRC. Remember, if the funding for the test center is not in the allocation, all the advocacy in the POM, BES, and MRTFB is for naught.

We have examined the documents used by the AFSC/TE resource manager in the PPBS process. These documents are used by decision makers in reviews of the Air Force position and by the resource manager as an advocacy tool. In the next chapter we will note some lessons learned by a previous resource manager.

CHAPTER 6

LESSONS LEARNED

PPBS is not the monster it may first appear to be. A good understanding of the cycle is required to be an effective advocate. Advocating test center requirements is the principle job of the AFSC/TE resource manager. This chapter will cover some lessons learned by a former AFSC/TE resource manager.

These lessons learned were first published as a part of an end of tour report and have been modified and/or adapted for use in this handbook (10:--). The lessons learned are a compilation of common sense, facts of life in the headquarters, subtle hints, and some not so subtle hints. These "little pearls" are intended to prevent the new resource manager from appearing to be the village idiot during his first year. Periodic review by the not so new resource manager may also be in order. The lessons learned will be divided into these categories: POM, BES & MRTFB, Financial Plan & Unfunded Requirements, and General.

POM, BES, AND MRTFB

1. The squeaky wheel gets the grease! Be consistent in vocalizing requirements. If the requirement is not supported in the POM in a given year, don't give up. Use the POM process as an opportunity to educate folks on the requirement. Brief the requirement to the panels, FRC, MRC, MSRC, TIC, or whoever will listen. Use every opportunity. If the requirement doesn't sell

this year, hit the decision makers again next year. (Eventually they may think the requirement was their idea.)

2. If a requirement can be characterized as a disconnect or an initiative, make it a disconnect. Let someone else tell you that it is an initiative. If the requirement starts life as an initiative, it is very difficult to change it to a disconnect. Remember, however, with the current policy making the AFSC POM fully executable, you must live up to your impacts. This means, if you say you will blow up the Washington Monument in the event the disconnect is not funded, then you better have dynamite in your hip pocket.

3. Be consistent in your requests. If you change your story, you lose credibility. Remember the story you told last time. Tell the same one next time. If you are afraid of getting caught, tell the truth. (What can it hurt?)

4. Don't waffle on priorities. Changing priorities is the fastest way of losing credibility.

5. POM initiatives sell better if they do not start in the first year of the FYDP. The initiative has a better chance if it has a small amount of money in the first year (for studies, design work or some other "get started" activity) and the big dollars in the out years. The first year is scrubbed to previous year BES funding level plus approximately five percent. POM year plus one is scrubbed to previous year BES funding level plus approximately ten percent. POM year plus two and out are not scrubbed unless large "humps" are apparent in the funding profile. Four-star support has been required to gain first year

initiative support.

6. Program support is essential to get test requirements supported. If a test center says it needs a test requirement for program X, the panels will look for the SPO, SYSTO, or PEM of program X to support the requirement, not the test center resource manager.

7. Manpower requests in the first year of the FYDP are very difficult to obtain. Like initiatives, it is better to ramp-up the requirement in the out years. If you have a hard, sellable requirement in the first year, you can wedge the out years and obtain more manpower without additional justification and effort.

8. Information given to the resource manager by his test center must be accurate and timely. The resource manager can not fire the gun if there are no BBs. In many arenas the resource manager must provide answers "on the spot" or lose support. In other cases, the resource manager is given a short-fused suspense to provide a comprehensive explanation or impact statement. Timely inputs to the resource manager can make the difference.

9. The MRTFB submissions are OSD "hip pocket" informational packages that enable OSD to sell the BES and POM positions to OMB and Congress. The MRTFB story has to be consistent with the POM and BES. The MRTFB sees the POM through to the execution year.

FINANCIAL PLAN & UNFUNDED REQUIREMENTS

1. In many cases, the Financial Plan has no connection with the POM, BES, MRTFB, or reality. The beginning of the year allocations are made based on the Financial Plan. The test center is straight-lined from the previous year's actuals, as contained in the 30 September accounting reports. Keep in mind that the previous year's MSRC allocations are compared to the actuals. The MSRC tends to take the lower funding level. Convincing arguments are needed to increase the funding level. These arguments should have been made in the POM, BES, and MRTFB.

2. Shorting some areas in order to fund civilian pay for overhires will reduce next year's allocation (all other things being constant). The command policy is to fund 98 percent of the civilian authorizations in accordance with the Civilian Employment Plan. If the center robs other areas to fund civilian pay, those areas will be straight-lined the next year and the civilian pay line will continue to be funded at 98 percent. If the Civilian Employment Plan is in error, the Command will fund the lower number.

3. Drop-dead dates need to be established for all unfunded requirements. If the unfunded requirement is open-ended (i.e., no need date), it will likely be ignored.

4. For test centers funded by the 3400 and 3080 appropriations, 3400 unfunded requirements are more easily funded. If an equipment unfunded requirement exists, it may be funded by 3400, if the requirement can be termed a refurbishment activity rather

than an upgrade. Upgrades and replacements must be accomplished with 3080. Few 3080 unfunded requirements have been sourced. Many 3400 unfunded refurbishment activities have been sourced.

5. Unfunded requirements in 3400 must be documented in the Financial Plan and execution (quarterly) reports in order to receive support. If a 3400 unfunded requirement springs up without being documented well in advance in the execution report, it will more than likely be ignored. (As with POM requirements, decision makers may eventually think it was their idea, if they see an unfunded often enough).

6. Strong justifications are needed for all unfunded requirements that indicate the impact to the mission and also explain why the requirement is not funded by reimbursements. If the reimbursement issue is not addressed, the requirement may not be supported.

GENERAL

1. The best way to sell any requirement, be it in the POM, BES, MRTFB, Financial Plan, or an execution unfunded, is to show a quantified and verified workload and the impact to the workload. This technique worked well for the Utah Test and Training Range using the cruise missile workload generated by OUSDR&E.

2. Audiovisual presentations of what the center does, and what the center's mission is, are very useful tools in selling requirements. The requirement may stand or fall on the ability to clearly identify the importance of the requirement to a pooling of ignorance called a committee, panel, or board. Many

of the experts in these bodies can't spell "test." Pictures save a lot of explanation.

3. Some days chicken, some days feathers. Remember, however, the object is to get chicken. If they ask for the same information for the forty-eleventh time, in yet another format, give it to them. The object is to wear them down. Don't let them wear you down. Chicken tastes good!

CHAPTER 7

SUMMARY

PPBS IN PERSPECTIVE

The PPBS can be the AFSC/TE resource manager's best friend if he makes it work for him. Understanding the PPBS cycle is the first step in making it work. A knowledge of the AFSC implementation of PPBS is essential to being an effective advocate. The arena the AFSC/TE resource manager operates in is the AFSC and higher headquarters corporate review structure. Studying the documents used in the PPBS cycle helps the resource manager anticipate the questions he will be asked and how to best prepare his advocacy. We have covered these areas in this handbook and have ended with some helpful hints in the lessons learned. The more information the resource manager has about the environment in which he must advocate test center requirements, the more successful he will be. Remember, the AFSC/TE resource manager is hired for credibility, but his job is advocacy.

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